



NEWS RELEASE

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INVESTMENT BROKER GUILTY OF FRAUD IN EAST TEXAS

(Tyler, TX) United States Attorney Matthew D. Orwig announced today that a 55-year-old Florida man has pleaded guilty to federal mail fraud charges in the Eastern District of Texas. **RALPH RICHARD BOERNER** admitted to the charges before United States Magistrate Judge Judith Guthrie today.

"The Defendant's scheme stripped investors of their savings and retirements and created a nightmare for their families," said U.S. Attorney Orwig. "These victims deserve justice and this office will continue to investigate and aggressively prosecute fraud."

According to information presented in court, Boerner operated Somerset Financial, an investment management business specializing in retirement and estate planning. From 1997 to 2006, Boerner engaged in a scheme targeting elderly individuals and couples in which he would agree to establish and maintain retirement accounts and trust accounts for them. Once Boerner gained his clients trust, he would have them transfer their accounts to him for management. Boerner would then liquidate stocks and transfer funds into his own accounts, using those funds to repay previous investors and pay his bills and the operating expenses of Somerset Financial and Beneficial Capital, another business entity he controlled. During this

time, and in order to conceal his fraudulent activities, Boerner would either not send periodic account statements to investors, or he would create and mail fraudulent account statements claiming the accounts were actually earning interest.

Boerner pleaded guilty to mailing a client a copy of a money order made payable to the Internal Revenue Service in the amount of \$71,821 on March 8, 2001. Boerner claimed the money order was sent to the IRS as payment of the client's taxes, however, Boerner instead re-deposited the money order into his own bank account and used the funds for his own purposes. Boerner also admitted to defrauding several victims of amounts totaling \$1,162,881.

Boerner faces up to 20 years in federal prison and a fine of up to \$250,000 at sentencing as well as restitution to his victims. A sentencing date has not been set.

This case is being investigated by the Federal Bureau of Investigation. This case is being prosecuted by Assistant United States Attorneys Wesley D. Rivers and Arnold Spencer.

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